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BEFORE THE U.S. DEPARTMENT OF LABOR

In the matter of:)
)
JUAN LOZADA-LEONI,)
Complainant,)
)
V.) Case No. 2018-SOX-00004
)
MONEYGRAM INTERNATIONAL,)
Respondent.)

ORAL DEPOSITION OF
JUAN LOZADA-LEONI
JUNE 19, 2018
VOLUME 2

ORAL DEPOSITION OF JUAN LOZADA-LEONI, produced as a witness
at the instance of the Respondent, and duly sworn, was taken in
the above-styled and numbered cause on the 19th day of June,
2018, from 9:59 a.m. to 3:00 p.m., before AMBER KIRTON, CSR in
and for the State of Texas, reported by machine shorthand, at the
Law Offices of Juan Antonio Lozada, PLLC, 3305 W. Slaughter Lane
#2, Austin, Texas, pursuant to the Federal Rules of Civil
Procedure.

1 A. Sure.

2 Q. At the bottom of Page 1 of Exhibit 24 Speaker 1, who is
3 Juan Manuel, he says, "So here's the thing, guys. You're going
4 to need to rely on your experience to back judgment to ensure
5 that you're making an adequate assessment of the potential risks
6 and then determine what the corrective measure will be. Without
7 having done a deep dive of the 13 locations you're not going to
8 be able to go full assess that, number one, without understanding
9 what the agent is doing. As an agent you're not going to have
10 visibility to how much you can really wait the seven days or not.
11 So it's a totality of all this to determine." And do you
12 disagree with that overall assessment on his part?

13 A. I do.

14 Q. For the reason that you've explained earlier?

15 A. For that and many other reasons, yes, and for our
16 conversations I had with him before, yes, when he expressed the
17 real reasons why.

18 Q. Well, I didn't ask about what else he expressed. I'm
19 asking whether you agree or disagree with what he expressed here?

20 A. I disagree.

21 Q. I may come back to some of these transcripts but I want
22 to move on.

23 (Exhibit No. 25 marked.)

24 Q. (BY MR. BARCUS) I'm going to hand you Exhibit 25.

25 What is Exhibit 25?

1 A. It is a document my accountant created titled Profit
2 and Loss Statement.

3 Q. And it's a profit and loss statement for your law
4 office, correct?

5 A. That's right.

6 Q. For calendar year 2017?

7 A. That's right.

8 Q. And this is a document that was created for the purpose
9 of this lawsuit, correct?

10 A. No.

11 Q. What was the purpose of the creation of this document?

12 A. I think it's a good thing when you have a business to
13 know how you're doing. So this is something that I was given at
14 the beginning of the year so that I had a general idea how I was
15 doing in my business.

16 Q. So in my understanding from correspondence between
17 counsel is that this was a document that was created for the
18 purpose of showing your, I guess, lost wages claim. I'm mistaken
19 in that regard?

20 A. I believe so, yeah.

21 Q. Is the accountant who created this Ramirez Accounting
22 Services?

23 A. Yes.

24 Q. And this shows that your law office had a total income
25 of a little over \$139,000 in 2017, correct?

1 A. Gross profit, yes.

2 Q. Well, also total income right above that, correct?

3 A. I'm not an accountant so I don't know all these terms.

4 I only know the income of my law firm and the profit of my law
5 firm was about \$30,000.

6 Q. So on Page 1 do you see in bold letters it says total
7 income and then to the right of that it says \$139,480.60?

8 A. I do.

9 Q. So do you think that's an accurate assessment of what
10 the total income of your law firm was for 2017?

11 A. I assume so, but I don't know. I mean, I didn't
12 calculate this or know how it was calculated. So you need to ask
13 my accountant about that.

14 Q. I may do that.

15 A. Sure.

16 Q. Who provided information to your accountant for the
17 purpose of creating this profit and loss statement?

18 A. My mother.

19 Q. Your mother did. Is that what you said?

20 A. Yeah.

21 Q. What is your mother's name?

22 A. Pilar Leoni.

23 Q. And actually, let me correct the record. It's only the
24 first two pages of Exhibit 25 that are the actual profit and loss
25 statement; is that correct?

1 A. Yes.

2 Q. And then the third page is a balance sheet?

3 A. Yes.

4 Q. And then from the fourth page on is a copy of your law
5 office's corporate tax return for 2017?

6 A. Yes.

7 Q. And Ramirez Accounting Services prepared that tax
8 return as well?

9 A. Yes.

10 Q. Did you lease a vehicle for the purpose of your law
11 practice in 2017?

12 A. I did.

13 Q. Separate from your personal vehicle?

14 A. Yes.

15 Q. What kind of car was that?

16 A. It was Nissan Rogue.

17 Q. And why did you need a separate car for your law
18 practice?

19 A. I just did. Put a lot of my miles on my car. I had a
20 Ford Focus. I didn't want to be driving around everywhere I
21 went.

22 Q. And so on Page 1 of Exhibit 25 you've got leased
23 vehicle under expenses for \$3,573. Do you see that?

24 A. Yes.

25 Q. And then up further towards the top, these expenses are

1 in alphabetical order, you've got auto expenses of a little over
2 \$4,300. Do you see that?

3 A. I do.

4 Q. What is that, if you know?

5 A. I think regular maintenance. Just tires and different
6 things.

7 Q. On this Nissan Rogue you did \$4,000 worth of
8 maintenance?

9 A. Uh-huh.

10 Q. Is that yes?

11 A. Yes.

12 Q. And you didn't start your law practice until mid year
13 2017, correct?

14 A. June, yes.

15 Q. What are the contractor expenses that are referenced
16 that's a little over \$13,900 there?

17 A. Yeah. So a lot of -- I'm not an expert in that area of
18 law. I've got oftentimes immigration clients that might have
19 needs like business law or things like that. So normally I would
20 go to another lawyer and, you know, they will -- we will work the
21 case together. I wanted to learn the area. So normally I will
22 pay that person to teach me, you know, how to do it and so they
23 got most of the fee. I also -- in my old office I had -- I moved
24 to this building in January, but in my old office I would share a
25 secretary so there was a person that I gave money to there, one

1 of the lawyers, to contribute to -- so she would pay the taxes,
2 she would pay everything and then I will pay her everything --
3 one-third of everything. So that's what that's about.

4 Q. Okay. So going back down the page, and I apologize for
5 skipping around, there is an entry for wages of \$36,608.70. Do
6 you see that?

7 A. Yes.

8 Q. Did you pay yourself a wage out of the income from your
9 law office or was that for somebody else?

10 A. No, it was -- no, I pay a very small income for myself
11 because I wasn't sure if I was going to be making a profit. I
12 had a legal assistant I paid some money to, like a paralegal
13 type. She wasn't really a legal assistant. It was more like a
14 paralegal. And then we have a legal secretary that we pay.

15 Q. And then on the second page there is a line item for
16 returns of \$5,700. Do you know what that is?

17 A. That's money I have to return. So I will do -- I will
18 tell you it's going to cost you \$2,000 to do this but I only use
19 1,000 so I will give you back the money that I didn't use if we
20 were already finished with your work. So I keep that in my old
21 account and whenever -- you know, so that's that.

22 Q. So basically refunds of amounts that have been prepaid
23 that didn't end up costing that much?

24 A. Exactly.

25 Q. And so at the end of the day at the middle of Page 2